



Funding Systems Railcars, Inc.

TRI-STATE CENTER • SUITE 370 • 2215 SANDERS RD. • NORTHBROOK, IL 60062 • (312) 272-8350

March 16, 1983

3-081A164

RECORDATION NO. 13990 Filed 1425

No.

Date MAR 22 1983

Fee \$ 50.00

ICC Washington, D. C.

Ms. Agatha Mergenovich
Secretary Interstate Commerce Commission
Washington, D.C. 20423

MAR 22 1983 - 2 50 PM

Dear Madam:

INTERSTATE COMMERCE COMMISSION

Enclosed for recordation pursuant to the provisions of Section 11303 of Title 49 of the United States Code and the regulations thereunder are the original and counterpart of the Railcar Lease Agreement, a primary document dated July 12, 1982.

The names and addresses of the parties to the enclosed documents are:

Lessor: Funding Systems Railcars, Inc.
2215 Sanders Road, Suite 370
Northbrook, Illinois 60062

Lessee: Amway Corporation
Mail Code 52-2A
Ada, Michigan

A general Description of the railroad equipment covered by the enclosed documents is, as follows:

Four (4) 50' XP boxcars bearing reporting marks WSOR.

The original and all extra copies of the enclosed documents should be returned to Ms. Sharon Schumacher of Funding Systems Railcars, Inc., 2215 Sanders Road, Suite 370, Northbrook, Illinois 60062.

Also enclosed is a remittance in the amount of \$50.00 for payment of recordation fees.

I am an officer of Funding Systems Railcars, Inc. and have knowledge of the matters set forth herein.

Very truly yours,

Funding Systems Railcars, Inc.

By

Dennis T. Hurst

DTH/sb

Enclosure

SENT VIA: Certified Mail

RECEIVED
MAR 22 2 43 PM '83
REGISTRATION BR.

Interstate Commerce Commission
Washington, D.C. 20423

3/22/83

OFFICE OF THE SECRETARY

Ms. Sharon Schumacher
Funding Systems Railcars, Inc
2215 Sanders Road, Suite 370
Northbrook, Illinois 60062

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/22/83 at 2:50pm, and assigned re-recording number(s). 13990

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

RECORDATION NO. 13990 Filed 1425
MAR 22 1983 2 00 PM
INTERSTATE COMMERCE COMMISSION

RAILCAR LEASE AGREEMENT

DATED AS OF July 12, 1982

BETWEEN

FUNDING SYSTEMS RAILCARS, INC. ("LESSOR")

AND

AMWAY CORPORATION ("LESSEE")

RAILCAR LEASE AGREEMENT

THIS RAILCAR LEASE AGREEMENT (the "Agreement"), dated as of July 12, 1982 by and between FUNDING SYSTEMS RAILCARS, INC., a Delaware corporation, with a principal place of business at 2215 Sanders Road, Northbrook, Illinois 60062 (hereinafter called "Lessor") and AMWAY CORPORATION, a Michigan corporation, with a principal place of business at Mail Code 52-2A, Ada, Michigan (hereinafter called "Lessee").

Section 1: Scope of Agreement

Subject to the terms and conditions hereof, Lessor agrees to furnish and lease to Lessee, and Lessee agrees to accept and lease, the railroad cars (being hereinafter collectively referred to as the "Cars" and separately as a "Car") covered by Schedule No. 1 attached hereto and such additional schedules as may be added from time to time by agreement of the parties (collectively hereinafter referred to as the "Schedules"), and any and all other cars delivered to and accepted by Lessee. Each such schedule shall set forth the number of Cars, the rental rate, the lease term, the Car numbers, and such other pertinent information desired by both parties. All Cars leased pursuant to such Schedules, or otherwise delivered to and accepted by Lessee pursuant hereto, are subject to the terms of this Agreement.

Section 2: Delivery and Acceptance Provisions

2.1 Lessor agrees to deliver the Cars to Lessee as promptly as reasonably possible to the point or points designated in the applicable Schedule, at the sole cost and expense of Lessee. Lessor's obligations with respect to delivery of all or any of the Cars are hereby made expressly subject to (and Lessor shall not be responsible for) failure to deliver, or delays in delivering, Cars due to labor difficulties, fire, delays and defaults of carriers and material suppliers or Car manufacturers, acts of God, governmental acts, regulations and restrictions or any other causes, casualties or contingencies beyond Lessor's control. From and after the date a Car becomes subject to this Agreement, Lessee shall be liable for, and shall pay or reimburse Lessor for, the payment of all costs, charges and expenses of any kind whatsoever on account of or relating to switching, demurrage, detention, storage, transportation or movement of a Car.

2.2 Each of the Cars shall be subject to Lessee's inspection upon delivery to Lessee. Lessee shall be responsible for determining that the Cars are in proper condition for loading and shipment. Failure to report any defect in a Car within five (5) days after (i) delivery of a Car to Lessee or (ii) loading of a Car by Lessee or at its direction, whichever occurs first, shall constitute acceptance of the Car by Lessee for lease in accordance with the terms and conditions of this Agreement and shall be conclusive evidence of the fit and suitable condition of the Car in all respects, including for loading and transporting commodities then and thereafter loaded therein or thereon. At Lessor's request, Lessee shall deliver to Lessor an executed Certificate of Acceptance in the form of Exhibit A with respect to all such Cars.

Section 3: Possession and Use

3.1 Throughout the term of this Agreement as long as Lessee is not in default hereunder, Lessee shall be entitled to possession, use and quiet enjoyment of each Car in accordance with the terms of this Agreement from the date the Agreement becomes effective as to such Car; provided, however, that Lessee agrees that the Cars shall at all times be used (i) exclusively in Lessee's own service, (ii) in conformity with the Interchange Rules; (iii) in compliance with the terms and provisions of this Agreement; (iv) in a careful and prudent manner, solely in the use, service and manner for which they were designed; (v) only within the continental limits of the United States of America* and (vi) in such service as will not constitute a "unit train". The term "Interchange Rules" shall mean all codes, rules, interpretations, laws or orders governing hire, use, condition, repair and all other matters pertaining to the interchange of freight traffic reasonably interpreted as being applicable to the Cars, adopted and in effect from time to time by the Association of American Railroads and any other organization, association, agency, or governmental authority, including the Interstate Commerce Commission ("ICC") and the United States Department of Transportation ("DOT"), which may from time to time be responsible for or have authority to impose such codes, rules, interpretations, laws or orders.

*except that Cars may make occasional trips to Mexico or Canada provided that the Cars do not remain outside the United States for longer than six (6) months.

3.2 No right, title or interest in any of the Cars shall vest in Lessee by reason of this Agreement or by reason of the delivery to or use by Lessee of the Cars, except the right to use the Cars in accordance with the terms of this Agreement.

Section 4: Rental Charges

Lessee agrees to pay the rental charge specified in the applicable Schedule with respect to each Car beginning as of the date the Car is placed for loading at the point designated in the applicable Schedule (the "Date of Delivery") through and including the date such Car is returned to and accepted by Lessor. Such rental charge shall be paid, to Lessor at its office, 2215 Sanders Road, Northbrook, Illinois 60062 or at such other address as may be designated by Lessor in writing. Except as otherwise provided herein, rental payments on any Car shall not abate for any reason whatsoever. Said rental shall be paid within ten (10) days of the close of each monthly accounting period in which Lessee has received any car hire for any of the Cars.

Section 5: Lease Term

This Agreement shall be effective as to any Car on the Date of Forwarding of such Car. With respect to all Cars delivered under a particular Schedule, the lease term shall commence on the Average Date of Delivery and shall terminate upon expiration of the lease term specified in the applicable Schedule, unless sooner terminated in accordance with the provisions of this Agreement or hereinafter extended by mutual agreement of the parties hereto. The "Average Date of Delivery" shall mean that date which is determined by (i) multiplying the number of Cars which becomes subject to this Agreement forwarded by Lessor on each date by the number of days elapsed between such day and the date of forwarding of the first Car under the applicable Schedule which becomes subject to this Agreement, and (ii) adding all of the products so obtained and dividing that sum by the total number of Cars delivered under the applicable Schedule which becomes subject to this Agreement and (iii) adding such quotient rounded out to the nearest whole number to the date of delivery (forwarding) of the first Car under the applicable Schedule which becomes subject to this Agreement.

Section 6: Railroad Markings-Mileage Collection-Mileage Equalization

6.1 Lessor agrees that on or before delivery of the Cars to Lessee, the Cars will be lettered with the markings of Lessor and the name and/or other insignia used by Lessee, at the expense of Lessee. Such name or insignia shall comply with all applicable regulations. Lessee will not alter any marking on any Car without the prior written consent of Lessor.

6.2 Lessor shall, at no cost to Lessee, prepare all documents for filing relating to the registration, maintenance and record keeping functions with respect to the Cars and shall perform all record keeping functions related to the use of the Cars by Lessee and other railroads in accordance with AAR interchange agreements. Such matters shall include but are not limited to the preparation of the following documents: (i) appropriate AAR interchange agreements with respect to the Cars, (ii) registration for the Cars in the Official Railway Equipment Register and the Universal Machine Language Equipment Register, directing that correspondence from railroads using such Cars shall be addressed to Lessor; and (iii) such reports as may be required from time to time by the ICC and/or other regulatory agencies with respect to the Cars.

6.3 Lessor agrees to keep records pertaining to the movement of the Cars, and Lessee agrees to promptly furnish Lessor with complete reports of the Car movements, including the dates the Cars are received, loaded and shipped; the commodity handled; the Car destination; and the full junction routing; and all pertinent information which Lessee may receive from railroad companies or other sources.

6.4 Lessor shall collect the car hire earned by the Cars, and subject to all rules of the tariffs of the railroads, Lessor shall credit to Lessee's rental account such car hire earned as and when received from the railroads (less taxes, other than income taxes due or to become due on account thereof) but in no event shall the aggregate amount of car hire credited exceed the aggregate monthly Car rentals for the term of this Agreement. Car hire earnings for all Cars covered by this Agreement shall be carried in a consolidated account.

Section 7: Maintenance

7.1 Except as otherwise hereinafter provided, Lessor agrees to pay for the normal and customary maintenance and repair of the Cars. Lessor shall not be responsible to pay for any maintenance or repairs which result from the negligent acts or omissions of Lessee. Lessee shall not repair, or authorize the repair of any of the Cars without Lessor's prior written consent nor shall Lessee make or authorize the making of alterations, improvements or additions to the Cars without Lessor's prior written consent. If Lessee makes a repair, alteration, improvement or addition to any Car without Lessor's prior written consent, Lessee shall be liable to Lessor for any revenue lost due to such repair, alteration, improvement or addition.

7.2 Any and all alterations, improvements and additions to any Car made in connection with the requirements of this Agreement or otherwise, including any and all parts installed on and additions and replacements made to any Car, shall constitute accessions to such Car and, at the cost and expense of Lessee, full ownership thereof free from any lien, charge, security interest or encumbrance shall immediately be vested in Lessor.

7.3 Lessor will pay all costs, expenses, fees and charges incurred in connection with the use and operation of each Car during the Term of this Agreement, including but not limited to any transportation charges incurred by Lessee to transport each Car to and/or from any contract maintenance facility, except if the damage to the Cars was caused by Lessee, its agents or customers. Lessee shall be responsible to inspect all Cars interchanged to it to insure that such Cars are in good working order and condition and shall be liable to Lessor for any repairs required for damage not noted at the time of interchange. Lessee hereby transfers and assigns to Lessor for and during the Term of this Agreement of each Car all of its right, title and interest in any warranty in respect to the Car. All claims or actions on any warranty so assigned shall be made and prosecuted by Lessor at its sole expense and Lessee shall have no obligation to make any claim on such warranty. Any recovery under such warranty shall be, to the extent necessary, made payable to Lessor. All proceeds from such recovery shall be used to repair or replace the Cars. Lessor may make or cause to be made such inspections of the Cars as Lessor may deem necessary. Lessor may make all alterations, modifications or replacement of parts, as shall be necessary to maintain the Cars in good operating condition throughout the term of the lease of such Cars.

7.4 If any Car becomes unfit for service and shall be held in a car shop for repairs and shall remain therein for a period in excess of five (5) days, the monthly rental with respect to such Car shall abate from and after such period of five (5) days until such Car is released from the shop or until another car shall have been placed in the service of Lessee by Lessor in substitution for such Car. It is understood that no rental credits will be issued for Cars in a shop for repairs arising as a result of the negligent acts or omissions of Lessee, its agents or customers or which result from acts prohibited under this Agreement.

7.5 In the event the DOT, or any other governmental agency or nongovernmental organization having jurisdiction over the operation, safety or use of railroad equipment, requires that Lessor add, modify or in any manner adjust the Cars subject to this Agreement in order to qualify them for operation in railroad interchange. Lessee agrees to pay an additional monthly charge of \$1.75 per Car for each \$100 expended by Lessor on such Car, effective as of the date the Car is released from the shop after application of such additions, modifications or adjustments (hereinafter referred to as "Modifications"). Rental credit will be issued on Cars entering the shop for such Modification. The monthly rental with respect to such Car shall abate from and after such period of five (5) days until such Car is released from the shop or until another car shall have been placed in the service of Lessee by Lessor in substitution for such Car. In the event Lessor in its sole discretion determines prior to making any Modification that it would not be economical to make such Modification in view of the estimated remaining useful life or condition of such Car, and Lessor elects to permanently remove such Car from Lessee's service rather than have such Modification, the rental with respect to such Car shall terminate upon the date specified in writing by Lessor; provided that such date must be prior to the date the Modification is so required to be made.

Section 8: Damage and Risk of Loss

8.1 Lessee shall promptly notify Lessor upon receipt by Lessee of knowledge of any damage to any of the Cars.

8.2 In the event that any of the Cars, or the fittings, appliances, Deck II system, exterior doors, or appurtenances thereto, shall be damaged (ordinary wear and tear excepted) destroyed, lost, stolen, or removed as a result of the acts or omissions of Lessee, its agents or customers, or shall be damaged or destroyed as a result of any commodity or other material loaded therein or thereon, Lessee agrees to assume the full financial responsibility for such event and shall replace or pay to Lessor within five (5) days after written demand therefor for all losses incurred by Lessor as a result of such damage or destruction. Lessee agrees to assume financial responsibility for any damage to the Cars caused by corrosion or abrasion. Lessee shall be liable for any loss of or damage to any Car while on any private siding or track or on any private or industrial railroad or in the custody of any carrier not subject to the Interchange Rules. In addition, Lessee shall be responsible for, as between Lessor, Lessor's insurance carrier and Lessee, all third-party personal injury and property damage caused by the use, operation, possession, storage or return of the Cars which results from the acts or omissions of Lessee or its agents.

8.3 In the event any Car is totally damaged or destroyed, the rental with respect to such Car shall terminate upon receipt by Lessor of written notification of date of incidence by the Carrier, unless such damage or destruction was caused by the act or omission of Lessee or its agents in which case the rental shall not terminate until the receipt by Lessor of payment in full of any amount equal to the replacement value of such Car. In the event any Car is reported not to be in satisfactory condition for movement in the normal interchange of rail traffic and Lessor elects to permanently remove such Car from Lessee's service rather than have such Car taken to a car shop for repairs, the rental with respect to such Car shall terminate upon receipt by Lessor of written notification that such Car was not in satisfactory condition for movement in the normal interchange of rail traffic. Lessor shall have the right, but shall not be obligated, to substitute for any such Car another car of the same type and capacity and the rental in respect to such substitute car shall commence upon delivery of such substituted car to Lessee.

8.4 Lessor shall not be liable for any loss of or damage to or in connection with, commodities or any part thereof, loaded or shipped in or on the Cars, and Lessee agrees to assume financial responsibility for, to indemnify and defend Lessor against, and to save it harmless from, any such loss or damage.

Section 9: Liens, Claims and Taxes

9.1 Lessee agrees to indemnify, protect and hold Lessor harmless from and against loss, liability, claim, damage or expense (including investigation costs, court costs and attorneys' fees) arising out of or in connection with the use, possession or operation of the Cars during the term of this Agreement, except, however, loss, liability, claim, damage or expense which accrues with respect to any of the Cars (i) while such Car is in a repair shop undergoing repairs at Lessor's direction and not under Lessee's control; (ii) which is attributable to the negligence or misconduct of Lessor, Lessor's employees, or its agents; or (iii) for which a railroad or railroads have assumed to the satisfaction of Lessor full responsibility, including investigating and defending against any claim for damages. The indemnities and assumptions of liability herein contained shall survive the termination of this Agreement. Each party shall, upon learning of same, give the other prompt notice of any potential or existing claim or liability hereby indemnified against. The indemnities arising hereunder shall continue in full force and effect notwithstanding the expiration or termination of this Agreement.

9.2 Lessee will not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance, or other security interest or claim on or with respect to the Cars or any interest therein or in this Agreement or any Schedule hereto. Lessee, at its own expense, will promptly pay or discharge any and all sums claimed by any party which, if unpaid, might become a lien, charge, security interest or other encumbrance (other than an encumbrance created by Lessor or resulting from claims against Lessor not related to the ownership of the Cars) upon or with respect to any Car, including any accession thereto, or the interest of Lessor or Lessee therein, and will promptly discharge any such lien, claim, security interest or other encumbrance which arises.

9.3 Except with respect to all property taxes levied upon the Cars which Lessor agrees to assume responsibility for (including the filing of property tax reports relating thereto) and to pay, Lessee agrees to be responsible for and to pay any applicable local, state, federal or foreign taxes or certification, registration or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by this Agreement or any sale, rental, use, payment, shipment or delivery under the terms of this Agreement (all such expenses, taxes, certification, registration and license fees, assessments, charges, fines and penalties being hereinafter called impositions), all of which impositions Lessee assumes and agrees to pay on demand in addition to the payments to be made by it provided for herein and from and against which Lessee agrees to indemnify, protect, defend, save and keep harmless on an after-tax basis Lessor; provided, however, that Lessee's obligation to pay impositions shall not include any federal income tax payable by Lessor unless otherwise provided for herein in consequence of the receipt of payments pursuant to this Agreement. Lessee will also pay promptly all impositions that may be imposed upon any Car or for the use or operation thereof or upon the earnings arising therefrom (except as provided above) or upon Lessor by reason of its ownership thereof and will keep at all times all and every part of the Cars free and clear of all impositions that might in any way affect the title of Lessor in and to any Car or its interests or rights under this Agreement. If any impositions shall have been charged or levied against Lessor directly and paid by Lessor, Lessee shall reimburse Lessor within five (5) days after demand therefor.

In the event any reports with respect to impositions are required to be made, Lessee will either make such reports in such manner as to show the interest of Lessor in the Cars or notify Lessor of such requirement and will make such reports in such manner as shall be satisfactory to Lessor.

In the event that, during the continuance of this Agreement, Lessee becomes liable for the payment or reimbursement of any imposition, pursuant to this Section 9.3, such liability shall continue, notwithstanding the expiration of this Agreement, until all such are paid or reimbursed by Lessee. The obligations of Lessee under this Section 9.3 constitute a rental obligation.

9.4 Lessee shall reimburse Lessor on an after-tax basis within five (5) days after written demand therefor for any custom duties, taxes, unavailability or loss (in whole or in part) of Car ownership tax benefits (including, but not limited to, investment tax credit and depreciation deductions), or other loss, cost or expenses resulting from use, possession or operation of the Cars while subject to this Agreement or under Lessee's control.

9.5 Lessee shall notify Lessor in writing within five (5) days after any attachment, lien or other judicial process shall attach to any Car.

Section 10: Marking and Loading

10.1 No lettering or marking of any kind shall be placed upon any of the Cars by Lessee without the prior written consent of Lessor.

10.2 Lessee agrees not to load any of the Cars in excess of the load limit stenciled thereon.

Section 11: Default and Default Remedies

11.1 The occurrence of any of the following events shall be an event of default:

(i) The nonpayment by Lessee of any sum required hereunder to be paid by Lessee and such default shall continue for five (5) days.

(ii) Lessee shall make or permit any unauthorized assignment or transfer of this Agreement, or any interest herein, or of the right to possession of the Cars or any thereof;

(iii) The default by Lessee in the observance or performance of any other term, covenant, or condition of this Agreement which is not cured within ten (10) days after written notice thereof from Lessor.

(iv) Any representation or warranty made by Lessee herein or in any statement or certificate furnished to Lessor pursuant to or in connection with this Agreement is untrue in any material respect as of

the date of issuance or making thereof or, if such representation or warranty shall be continuing, shall become inaccurate in any material respect;

(v) Any proceeding shall be commenced by or against Lessee for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the indebtedness payable hereunder) and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of Lessee under this Agreement shall not have been and shall not continue to be duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for Lessee or for the property of Lessee in connection with any such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or sixty (60) days after such proceedings shall have been commenced, whichever shall be earlier or Lessee shall make a general assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due;

(vi) Any representation or warranty made by Lessee in this Agreement or other document delivered by Lessee pursuant thereto, shall be false or misleading in any material respect as of the date made.

(vii) The subjection of any of Lessee's property to any levy, seizure, assignment, application or sale for or by any creditor or governmental agency which substantially impairs Lessee's capacity to perform its obligations under this Agreement.

11.2 Upon the occurrence of any Event of Default:

(i) Lessor at its option may:

(a) terminate this Agreement by written notice to such effect, and repossess the Cars and thereafter recover as liquidated damages for loss of a bargain and not as a penalty, any and all damages sustained by reason of Lessee's default in addition to all rental unpaid as of said date; or

(b) without terminating this Agreement repossess the Cars, and may relet the same or any part thereof to others upon such rental and other terms as it may see fit. The proceeds of any such reletting shall first be applied to the expenses (including court costs and reasonable attorneys' fees) of repossessing and reletting of the Cars and delivery to the new Lessee and then to the payment of rent due under this Agreement. Lessee shall pay any deficiency remaining due after so applying the proceeds as the same shall accrue. The election by Lessor to relet the Cars and the acceptance of a new lessee shall not operate to release Lessee from liability for any existing or future default in any other covenant or promise herein contained. The obligation to pay such deficiency or any sum or sums due and unpaid or any damages suffered by reason of Lessee's default hereunder shall survive the termination of this Agreement and the repossessing of the Cars.

The remedies provided in this Section 11.2 in favor of Lessor shall not be deemed exclusive but shall, where not by rule of law inconsistent with each other, be cumulative and may be availed of singly, in combination, or all together and in any order, and shall be in addition to all other remedies in Lessor's favor existing at law or in equity.

Section 12: Termination

12.1 Lessee may terminate this Agreement upon thirty (30) days prior written notice to Lessor in the event of a material breach of the provisions in this Agreement by the Lessor and the failure by Lessor to cure the breach within thirty (30) days of having received notice of same.

12.2 At the expiration or termination of this Agreement as to any Car set forth on a Schedule attached herein, Lessee will surrender possession of such Car to Lessor by delivering the same to Lessor at a location as Lessor shall direct in

the same operating order, repair and condition as when originally delivered to Lessee, reasonable wear and tear excepted. Such Car shall be clean and free of commodity accumulation and deposits. If any Car is not returned to Lessor free from such accumulation or deposits, Lessee shall, within five (5) days after demand therefor, reimburse Lessor for any expense incurred in cleaning such Car. The assembling, changing the reporting marks and insignia as requested by Lessor, delivery, storage and transporting of the Cars shall be at the expense and risk of Lessee. All amounts earned in respect to the Cars after the date of termination of this Agreement shall belong to Lessor and, if received by Lessee, shall be promptly turned over to Lessor.

Section 13: Assignment

13.1 All rights of Lessor hereunder and/or its interest in the Cars may be assigned, pledged, mortgaged, transferred or otherwise disposed of either in whole or in part with written notice to Lessee and without consent of Lessee (an "Assignment"). This Agreement and Lessee's rights hereunder are and shall be subject and subordinate to any lease to Lessor, chattel mortgage, security agreement, equipment trust or other security instrument covering the Cars created by Lessor; provided, however, as long as Lessee is not in default under the Agreement, Lessee shall be entitled to the peaceful possession and quiet enjoyment of the Cars. Lessee agrees that the Cars may be stenciled or marked to set forth the ownership of any such Cars and/or the existence of any such security arrangements. In the event of an Assignment, Lessee shall still pay all rentals and other sums payable by Lessee to the order of Lessor unless notified in writing to the contrary by Lessor. Lessee hereby consents to and accepts any such Assignment or Assignments. Lessee agrees that no claim or defense which Lessee may have against Lessor shall be asserted or enforced against any assignee of this Agreement and that any such Assignment shall not impose any liability or undertaking hereunder upon any assignee, except as otherwise provided herein or unless expressly assumed in writing by such assignee. Lessee agrees to execute and deliver such additional documentation as Lessor may request to confirm the terms of this Agreement provided that no such document shall modify Lessee's rights hereunder.

13.2 Lessee shall make no transfer, assignment or sublease of its interest under this Agreement or the Cars without Lessor's prior written consent. Notwithstanding any such transfer, assignment or sublease, however, Lessee shall continue to remain liable to Lessor under all conditions and terms of this Agreement. Any such transfer, assignment or sublease shall be upon the terms which are in compliance with all applicable Interchange Rules, tariffs, regulations and laws and all terms and conditions of this Agreement.

Section 14: Warranties and Covenants

14.1 Lessee represents, warrants and covenants that:

(i) Lessee is a corporation duly organized and validly existing in good standing under the laws of the state of its incorporation and is duly qualified and authorized to do business wherever necessary to carry on its present business and operations and to own its properties and to perform its obligations under this Agreement;

(ii) Lessee has the full power, authority and legal right to enter into and perform its obligations under this Agreement and the execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate action on the part of Lessee;

(iii) Lessee is not a party to any agreement or instrument or subject to any charter or other corporate restriction which will materially adversely affect its financial condition, business or operations or the ability of Lessee to perform its obligations under this Agreement;

(iv) Neither the execution and delivery of this Agreement nor the consummation of the transaction herein contemplated or the fulfillment of, or compliance with, the terms and provisions hereof will conflict with, or result in a breach of, any of the terms, conditions or provisions of any law, or any regulation, order, injunction or decree of any court or governmental instrumentality, or of the corporate charter (as amended) or the by-laws (as amended) of Lessee or of any bond, debenture, agreement or other instrument to which Lessee is now a party or by which it may be bound, or constitute (with the giving of notice or the passage of time or both) a default thereunder;

(v) No mortgage, deed of trust or other lien of any nature whatsoever which now covers or affects, or which may hereafter cover or affect, any property or interest therein of Lessee, now attaches or hereafter will attach to the Cars or in any manner affects or will affect adversely Lessor's right, title and interest therein;

(vi) No authorization or approval is required from any governmental or public body with respect to the entering into or performance by Lessee of this Agreement;

(vii) This Agreement has been duly authorized, executed and delivered by Lessee and, assuming due authorization, execution and delivery thereof by the other parties thereto, is a legal, valid and binding agreement, enforceable in accordance with its terms, subject as to the enforcement of remedies to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally;

(viii) Lessee does not know of any requirements for recording, filing or depositing this Agreement other than pursuant to Section 11303, Title 49, United States Code, which is necessary to preserve or protect the title or interest of Lessor or its assignee or mortgagee, in the United States of America.

14.2 Upon the request of Lessor or its assignee or mortgagee at any time or times, Lessee shall deliver to Lessor an opinion of its counsel addressed to Lessor or its assignee or mortgagee, in form and substance satisfactory to Lessor or its assignee or mortgagee, which opinion shall confirm and be to the effect of the matters set forth in this Section 14.

Section 15: Inspection and Accident Reports

15.1 Lessor shall at any time during normal business hours have the right to enter Lessee's premises to inspect the Cars and Lessee's records with respect thereto to insure Lessee's compliance with its obligations hereunder.

15.2 Lessee shall immediately notify Lessor of any accident connected with the malfunctioning or operation of the Cars including in such report the time, place and nature of the accident and the damage caused to property, the names and addresses of any persons injured and of witnesses and other information pertinent to Lessee's investigation of the accident.

Section 16: Overdue Payments

Any nonpayment of rentals or other sums due hereunder, whether during the period within which a default may be cured or for a longer period, and whether or not deemed a default or violation of this Agreement, shall result in the obligation on the part of Lessee to pay also an amount equal to four (4) percentage points per annum above the prime commercial loan rate in effect on 90-day loans to responsible and substantial borrowers at The Chase Manhattan Bank, N.A. (or if such rate may not lawfully be charged, then the highest rate which may lawfully be charged) of such overdue sum for the period of time from the due date until such overdue sum is paid.

Section 17: Miscellaneous

17.1 This Agreement shall be binding upon the parties hereto, their respective successors, assigns and legal representatives. This Agreement and all Schedules constitute the entire agreement of the parties hereto relating to the Cars.

17.2 This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which may be evidenced by any such signed counterpart.

17.3 If any term or provision of this Agreement or the application thereof to any persons or circumstances shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

17.4 In construing any language contained in this Agreement, no reference shall be made and no significance given to any Section titles, such titles being used only for convenience of reference.

17.5 It is expressly understood and agreed by the parties hereto that this Agreement constitutes a lease of the Cars only and no joint venture or partnership is being created. Nothing herein shall be construed as conveying to Lessee any right, title or interest in the cars except as Lessee only.

17.6 No failure or delay by Lessor shall constitute a waiver or otherwise affect or impair any right, power or remedy available to Lessor nor shall any waiver or indulgence by Lessor or any partial or single exercise of any right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

17.7 Lessee shall promptly execute and deliver to Lessor such further documents and assurances and take such further action as Lessor may from time to time request in order to more effectively carry out the intent and purpose hereof and to establish and perfect the rights, interests and remedies created, or intended to be created, in favor of Lessor hereby.

17.8 This Agreement shall be governed by and construed according to the laws of the State of Illinois.

17.9 All notices hereunder shall be in writing and shall be deemed given when delivered personally or when deposited in the United States Mail, postage prepaid, certified or registered, addressed to the President or authorized representative of the other party at the address set forth above.

17.10 Lessor shall provide property insurance for the Cars and railroad liability insurance, but reserves the right of subrogation against the responsible parties.

IN WITNESS WHEREOF, the parties hereto have cause this Agreement to be executed in their respective names by their duly authorized officers, this day and year first written above.

ATTEST:

FUNDING SYSTEMS RAILCARS, INC.,
Lessor

Sharon Schumacher

By Earl L. Juman
Title Vice President Marketing

ATTEST:

AMWAY CORPORATION
Lessee

Samuel J. Pullara
Samuel J. Pullara
Manager Corporate Traffic

By Patrick J. Conlon
Patrick J. Conlon
Title Vice-President Distribution

APPROVED
LEGAL
DIVISION
WAB
ATTORNEY
7-14-82
DATE

STATE OF ILLINOIS

COUNTY OF COOK

On this 26th day of July, 19 82, before me personally appeared Earl L. Freeman, to me personally known, who being by me duly sworn, says that he is an authorized officer of FUNDING SYSTEMS RAILCARS, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Carmen Montano

Notary Public

My Commission Expires October 20, 1984

(Notarial Seal)

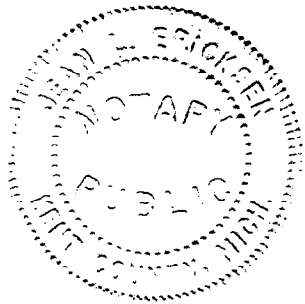
STATE OF MICHIGAN

COUNTY OF KENT

On this 21st day of July, 1982, before me personally appeared Patrick J. Conlon, to me personally known, who being by me duly sworn, says that he is an authorized officer of Amway Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jean L. Erickson

Notary Public



(Notarial Seal)

JEAN L. ERICKSON
Notary Public, Kent County, Michigan
My Commission Expires Dec. 22, 1985

EXHIBIT A

CERTIFICATE OF ACCEPTANCE OF
RAILROAD CARS

This Certificate relates to the railroad cars listed below leased
by Funding Systems Railcars, Inc. to _____
_____ (Lessee) under a Railcar Lease Agreement
for _____ railroad cars dated _____, 19____
into which this Certificate is incorporated.

TYPE OF EQUIPMENT:

PLACE ACCEPTED (RR):

RAILCAR NUMBERS:

Lessee hereby certifies that the railcars listed above were delivered
to and received by Lessee, and inspected; Lessee hereby certifies its
acceptance of the railcars as of _____, 19____.

Executed: _____, 19____.

Lessee

Attest:

BY _____
(Signature)

BY _____

Name _____
(Print)
Title _____

SCHEDULE NO. 1

Dated as of July 12, 1982.

to Railcar Lease Agreement (the "Agreement") between Funding Systems Railcars, Inc. ("Lessor") and Amway Corporation ("Lessee").

The terms used herein shall have the same meaning as such terms in the Agreement.

1. Description of Railcars: Subject to the terms and conditions of the Agreement and this Schedule, Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor the below described railcars:

<u>CAR NUMBERS</u>	<u>DESCRIPTION</u>	<u>NO. OF CARS</u>
WSOR. (#'s to be assigned)	1979 Pullman built 50' XP boxcars equipped with Van Craft's Deck II System	4

2. Delivery Location: Ada, Michigan on the GTW

3. Revenue Freight Charges: Delivery charges will be for Lessee's account to Ada, Michigan on the GTW. They can be paid through excess car hire earnings. Lessor will absorb return freight charges from Ada, Michigan to home point upon lease expiration.

4. Commencement Date: Date of each Car's first loading on any railroad.

5. Rental Charge: Lessee guarantees to pay to Lessor a minimum of \$515 per car per month according to the terms and conditions of Section 6.4. Any car hire earned by the Cars exceeding \$515 per car per month shall be split on a 80/20 basis, the 20% shall be credited to Lessee over the lease term.

6. Term of Lease: Five (5) years.

7. Loading Authority: Primary responsibility for obtaining authority would be Lessee's, but Lessor would assist in the negotiations with the GTW.

8. Railcar Markings: Lessor's railroad marks could be changed to private car marks should mileage allowances increase to a level that would justify such a change or if loading authority would have to be done at a loading point to avoid revenue charges.

FUNDING SYSTEMS RAILCARS, INC.
Lessor

By Earl L. Chuma
Title Vice President Marketing

AMWAY CORPORATION
Lessee

By Patrick J. Conlon
Patrick J. Conlon
Title Vice President - Distribution